



OCTOBER 5TH 2021

MALARIA CONSORTIUM

REQUEST FOR PROPOSAL (RFP) FOR EXTERNAL AUDIT SERVICES TO MALARIA CONSORTIUM

SPECIFICATIONS AND INSTRUCTIONS TO BIDDERS

A. Malaria Consortium

Malaria Consortium is one of the world's leading non-profit organisations dedicated to the comprehensive control of malaria and other communicable diseases in Africa and Southeast Asia. Malaria Consortium works with communities, government and non-government agencies, academic institutions, and local and international organisations, to ensure good evidence supports delivery of effective services, providing technical support for monitoring and evaluation of programmes and activities for evidence-based decision-making and strategic planning. The organisation works to improve not only the health of the individual, but also the capacity of national health systems, which helps relieve poverty and support improved economic prosperity.

Organisational background

Malaria Consortium is a registered charity and is incorporated under the Companies Act as a company limited by guarantee not having a share capital.

Established in 2003, Malaria Consortium is one of the world's leading non-profit organisations specialising in the comprehensive prevention, control and treatment of malaria and other communicable diseases among vulnerable and under privileged populations. We increasingly find our work on malaria can be effectively integrated with other similar public health interventions for greater impact and therefore expanded our remit to include child health and neglected tropical disease interventions.

We work in Africa and Asia with communities, governments, academic institutions, and local and international organisations, to ensure effective delivery of services, which are supported by strong evidence.

Our areas of expertise include:

- disease prevention, diagnosis and treatment
- disease control and elimination
- systems strengthening
- research, monitoring and evaluation leading to best practice
- behaviour change communication
- national and international advocacy and policy development

Governance

Malaria Consortium is governed by a Board of Trustees, which meets quarterly and for its Annual General meeting (AGM). The Board of Trustees takes major strategic decisions for the organisation. Day-to-day operational decision-making is delegated to the Chief Executive, who, with the other members of the Global Management Group, runs the organisation.

The Finance, Audit and Risk Committee (FARC) provide assurance to the Board that an effective internal control and risk management system is maintained and that financial performance is being effectively managed. Currently, the Committee comprises three and the Chief Executive and Finance Director (non-voting).

Geographical Location & Scale of Activities

Malaria Consortium's head office is in London, United Kingdom, with regional offices for East and Southern Africa in Kampala, Uganda covering Uganda, Mozambique, South Sudan and Ethiopia; for West Africa in Abuja, Nigeria covering Nigeria, Chad, Burkina Faso, Togo and Cameroon, and for Asia in Bangkok, Thailand covering Cambodia, Thailand, Myanmar, and Bangladesh. Regional offices coordinate and supervise programmes and projects at country level in the three regions. Global activities and any work in other parts of the world are directed through the head office in the UK. For more detail on our programmes and offices, please refer to our website www.malariaconsortium.org.

Compliance

Malaria Consortium prepares its financial statements in accordance with UK company law, Charity Commission guidelines, and the charities SORP.

Malaria Consortium is committed to obtaining a fair value for services received with a competitive price and timely delivery of the right quantities at the right quality.

B Administrative Information

1. It is the intent of this RFP to secure competitive proposals to select a firm to provide an external audit service to Malaria Consortium. The existing contract has expired and the Board is now seeking to tender these services for a period of 3 years' subject to annual approval by shareholders in general meeting.

The contract for the service will commence with the financial year ending 31st March 2022 with interim audit to commence beginning of February 2022 and statutory audit to commence beginning of June 2022.

The most suitable firm offering demonstrating that they can fulfil objectives as set out in this document coupled with offering the best value for money in the judgement of the Procurement Committee will be selected. RFP Evaluation Criteria is set out in Section E.

2. Vendors shall submit **bids** in softcopy to tenders@malariaconsortium.org with the following reference in the subject: **MC-UK-0012-External Audit**

3. Bids must be received by **Monday October 25th 2021 at 11:00 (11am)**. Bids submitted after the deadline will **NOT** be accepted.
4. Questions must be sent by email to tenders@malariaconsortium.org with the following bid reference in the subject: **'MC-UK-0012- External Audit - Question'**
5. Following the bid opening Malaria Consortium will shortlist bids and invite shortlisted bidders to present their bid before final bidder(s) are selected.
6. Malaria Consortium shall notify the winning bidders in writing. Malaria Consortium is under no responsibility to release the identity or contract terms of the winning vendor.
7. The submitted proposal shall include the following information. Failure to supply all requested information or comply with the specified formats will disqualify the bidder from consideration.
 - a. Signature to confirm compliance with Malaria Consortiums Policies (section F)
 - b. Details of your firm
 - I. General background of your firm
 - II. Address of registered office and the office used for service delivery, if different.
 - III. Name, correspondence address, Email address and telephone number of the partner responsible for contract and details of the audit manager who would be the operational contact.
 - IV. Copy of business registration documents
 - c. Firm experience
 - I. Evidence of eligibility and familiarity with the appropriate Auditing Standards.
 - II. Details of your company's experience of working with international charities
 - III. Details of similar work you are currently undertaking for international charities
 - IV. List of similar audits performed over past 5 years
 - V. Location of key audit staff
 - VI. Brief CV details of staff who will be undertaking this work
 - VII. Details of internal quality assurance programmes operated by your firm.
 - d. Process
 - I. Details of your overall audit approach and methodology
 - II. How you propose to gain familiarity with Malaria Consortium in the first year.
 - III. Extent to which you envisage relying on the work of the internal auditors
 - IV. Structure of the audit process, allocations of responsibility and communication structure.
 - V. Staffing structure of audit team
 - VI. Draft letter of engagement setting out the scope and terms and conditions of your work, notice periods etc.
 - VII. Confirmation of your acceptance of deadlines for completion of audit, the production of the audit report, audit management letter etc.
 - VIII. Information on any services which you may be able to provide and are relevant to the business should also be included within your proposal
 - e. Insurance
 - I. Details of your firm's professional indemnity insurance (to include name of insurer, period and extent of cover and policy number)

- II. Details of employer’s liability insurance
 - III. Details of public liability insurance
 - f. Details of two Directors who can be contacted for references if required and who have received services similar to those proposed within the last two years.
 - g. Your policy relating to equal opportunities, safeguarding and diversity
 - h. Pricing proposal, with total cost estimate for the products or services, and including a full cost breakdown
 - i. Pricing
 - I. Pricing should be on the basis that full draft statutory accounts, management accounts, adjusted trial balance and detailed audit information and schedules are provided to pre agreed timescales.
 - II. In addition, please provide details of your costs for agreed over-runs and other services.
 - III. The proposed pricing should contain as much detail as possible. As a minimum should clearly state;
 - i. the proposed fee should be broken down into daily rates, and number of days by grade
 - ii. the basis of increases for inflation
 - iii. whether the fees stated are inclusive or exclusive of VAT
 - iv. the basis and rates on which non-routine audit related work will be charged.
 - v. the rates that at which other services will be charged with as much detail as possible
8. Malaria Consortium reserves the right to accept or reject any or all bids, and to accept the bid deemed to be in the best interest of Malaria Consortium, and is not bound to accept the lowest priced bid submitted.
 9. Malaria Consortium reserves the right to award contracts to multiple vendors if deemed to be in its best interest.
 10. The award criteria shall be based on the proposals overall response and “value for money” while taking into consideration donor and internal requirements and regulations. The award will be determined by the Procurement Committee including a trustee representative of the Finance, Audit and Risk Committee.
 11. The successful firm shall receive a contract for three (3) years, with the engagement extended each year subject to annual confirmation by the members in an Annual general meeting.
 12. The language for communications and required documents is English.

C Technical Requirements & Specifications

13. To enable Malaria Consortiums Board to fulfil its obligations a full external audit service is required which, will include as a minimum
 - Perform the audit in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.
 - Issue draft audit findings and a draft management letter for presentation to the Finance, Audit and Risk Committee of the Board.
 - Submission of final audit letter and audit memorandum.
 - Identify, test and evaluate key systems and controls.
 - Confirm that key controls are in place and are appropriate and effective
 - If weaknesses are found, propose ways of improving the economy, efficiency and effectiveness of the business’s systems, procedures and controls.

- Liaise effectively with the Finance, Audit and Risk Committee Chair, Internal auditors, Finance Director , managers and staff as required to ensure efficient and effective delivery of services.
- Offer advice and other services as required to assure compliance and mitigate risks

14. Except to the extent set out in final contract, each Party will agree to
- a. treat the other Party's Confidential Information as confidential and safeguard it accordingly;
 - b. not disclose the other Party's Confidential Information to any other person without the owner's prior written consent

D Payment Terms

15. Malaria Consortium will make payment 30 days after presentation of certificates of completion signed by the designated Malaria Consortium representative and invoice outlining any deductions as defined in the contract.
16. All payments shall be made in British Pounds (GBP) by bank transfer within 30 days of receipt of valid documentation

E RFP Evaluation Criteria

17. The selection criteria will take into account the following and will include an assessment of the written submissions and the presentation. The clarity and completeness of presentation will be considered during the evaluation.

Pre-selection criteria (non adherence disqualifies a bid from further consideration)	
<ul style="list-style-type: none"> • Compliance with Malaria Consortiums Policies (Section F) 	Yes/No
<ul style="list-style-type: none"> • Copy of business registration documents (proof of legal operation in the country) 	Yes/No
Technical Criteria <ul style="list-style-type: none"> • The reputation and capacity of the firm • References obtained from the firm's other clients • Demonstrable experience of the firm and the proposed audit team in performing audits in the sector. • The ability of the audit partner and manager to communicate effectively with Audit Committee members • The extent the audit team and firm are involved in the sector outside of client responsibilities. • Ability to provide services beyond the basic audit. • The number, experience and level of staff in the audit team. • How staff continuity is achieved. • How do partners and staff keep up to date on technical and sector issues. • Adequacy of internal quality assurance processes • Can the firm demonstrate a commitment to informing the staff, officers and board members of its clients of changes in legislation, regulation and accounting standards? 	40%
Financial Competitiveness <ul style="list-style-type: none"> • What is included in the audit fee? • Out of pocket expenses expected to be incurred • Maximum and minimum audit fee for the coming year • Parameters that determine variation between minimum and maximum fees and fee increases for forthcoming years 	60%

<ul style="list-style-type: none"> • Increase in fees to be capped at no more than CPI for years 2 and 3. • How fees for additional services would be calculated • The reasonableness and competitiveness of the fees. 	
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The most suitable firm offering demonstrating that they can fulfil objectives as set out above coupled with offering the best value for money in the judgement of the Finance, Audit and Risk Committee will be selected.

F Declaration by the Bidder:

I/we, the Bidder, hereby confirm compliance with the following (which are attached to this RFP):

- Malaria Consortium Terms and Conditions of Purchase
- Malaria Consortium’s Anti-Bribery Policy
- Malaria Consortium’s Anti-Fraud and Anti-Corruption policy
- Malaria Consortium’s Safeguarding policy

I/we also confirm that Malaria Consortium may in its consideration of our offer, and subsequently, rely on the information provided in this document.

I (Name) _____ (Title) _____ am authorized to represent the above-detailed company and to enter into business commitments on its behalf.

Company

Date

Malaria Consortium Terms and Conditions of Purchase

1 Definitions and Interpretation

These terms and conditions ("**Conditions**") form part of the contract between the supplier ("**Supplier**") and Malaria Consortium (the "**Customer**"), in relation to the purchase order ("**Order**") (the Order and the Conditions are together referred to as the "**Contract**"). Terms not otherwise defined herein shall have the meaning given to them in the applicable Order.

2 Quality and Defects

- 2.1 The Goods and the Services shall, as appropriate:
- correspond with their description in the Order and any applicable specification;
 - comply with all applicable statutory and regulatory requirements;
 - be of the highest quality and fit for each purpose held out by the Supplier or made known to the Supplier by the Customer;
 - be free from defects in design, material, workmanship and installation; and
 - be performed with the best care, skill and diligence in accordance with best practice in the Supplier's industry, profession or trade.
- 2.2 The Customer (including its representatives or agents) reserves the right at any time without the provision of prior notice to audit the Supplier's records, inspect work being undertaken in relation to the supply of the Goods and Services and, in the case of Goods, to test them.

3 Ethical Standards

- 3.1 The Supplier shall observe the highest ethical standards during the performance of its obligations under this Contract including international labour standards promoted by the International Labour Organisation including in the areas of child labour and forced labour.
- 3.2 The Supplier, its suppliers and sub-contractors shall comply with all environmental, public health & safety, and product safety statutory and regulatory requirements and standards, shall not in any way be involved in (a) the manufacture or sale of arms or have any business relations with armed groups or governments for any war related purpose; or (b) terrorism and shall check its staff, suppliers and sub-contractors against the following sanctions lists: UK Treasury List, EC List, OFAC List and US Treasury List and comply with all regulatory requirements relating thereto.
- 3.3 The Supplier shall comply with the following Customer Policies, which are available upon request: Safeguarding and Anti-Bribery. **[Note: query whether these should be defined]**

4 Delivery / Performance

- 4.1 The Goods shall be delivered to, and the Services shall be performed at the address and on the date or within the period stated in the Order, and in either case during the Customer's usual business hours, except where otherwise agreed in the Order. Time shall be of the essence in respect of this Condition 4.1.
- 4.2 Where the date of delivery of the Goods or of performance of Services is to be specified after issue of the Order, the Supplier shall give the Customer reasonable written notice of the specified date.
- 4.3 Delivery of the goods shall take place and title in the Goods will pass on the completion of the physical transfer of the goods from the Supplier or its agents to the Customer or its agents at the address specified in the Order.
- 4.4 Risk of damage to or loss of the Goods shall pass to the Customer in accordance with the relevant provisions of Incoterms rules as in force at the date the Contract is made or, where Incoterms do not apply, risk in the Goods shall pass to the Customer on completion of delivery. **[Note: need to specify an Incoterm in the Purchaser Order if this is to work.]**
- 4.5 The Customer shall not be deemed to have accepted any Goods or Services and shall retain its right to reject such Goods and Services until the Customer has had reasonable time to inspect them following delivery and/or performance by the Supplier.
- 4.6 The Customer shall be entitled to reject any Goods delivered or Services supplied which are not in accordance with the Contract. If any Goods or Services are so rejected, at the Customer's option, the Supplier shall forthwith re-supply substitute Goods or Services which conform with the Contract. Alternatively, the Customer may cancel the Contract and return any rejected Goods to the Supplier at the Supplier's risk and expense and the Supplier shall repay to the Customer any amount paid in relation to such Goods or Services.

5 Indemnity

The Supplier shall indemnify the Customer in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Customer as a result of or in connection with any act or omission of the Supplier or its employees, agents or sub-contractors in performing its obligations under this Contract, and any claims made against the Customer by third parties (including claims for death, personal injury or damage to property) arising out of, or in connection with, the supply of the Goods or Services or a breach of Clause 2.

6 Price and Payment

Payment in arrears will be made as set out in the Order and the Customer shall be entitled to off-set against the price set out in the Order all sums owed to the Customer by the Supplier.

7 Termination

- 7.1 The Customer may terminate the Contract without liability to the Supplier in whole or in part at any time and for any reason whatsoever by giving the Supplier at least one month's written notice.
- 7.2 The Customer may terminate the Contract with immediate effect by giving written notice to the Supplier and the Supplier shall pay to the Customer any losses (including all associated costs, liabilities and expenses, including legal costs) incurred by the Customer as a consequence of such termination and/or breach from the Supplier at any time if the Supplier:
- a) becomes insolvent, goes into liquidation, makes any voluntary arrangement with its creditors, or becomes subject to an administration order or other similar bankruptcy process;
 - b) is in material breach of its obligations under the Contract; or
 - c) is in breach of any of its obligations and fails to remedy such breach within 14 days of written notice to remedy from the Customer.
- 7.3 In the event of termination, all existing purchase orders must be completed.

8 Supplier's Warranties

- 8.1 The Supplier warrants to the Customer that:
- a) it has all necessary internal authorisations and all authorisations from all relevant third parties to enable it to supply the Goods and the Services without infringing any applicable law, regulation, code or practice or any third party's rights;
 - b) it will not and will ensure that none of its employees will accept any commission, gift, inducement or other financial benefit from any supplier or potential supplier of the Customer; and
 - c) the Services will be performed by appropriately qualified and trained personnel, with the best care, skill and diligence and to such high standard of quality as it is reasonable for the Customer to expect in all the circumstances.

9 Force majeure

- 9.1 Neither the Supplier nor the Customer shall be liable for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is caused by an event that is beyond that party's reasonable control and was not reasonably foreseeable at the date of the Order (a "**Force Majeure Event**") provided that the Supplier shall use best endeavours to cure such Force Majeure Event and resume performance under the Contract.
- 9.2 If any Force Majeure Event prevents the Supplier from carrying out its obligations under the Contract for a continuous period of more than 14 days, the Customer may terminate the Contract immediately by giving written notice to the Supplier.

10 General

- 10.1 The Supplier shall not use the Customer's name, branding or logo other than in accordance with the Customer's written instructions or authorisation.
- 10.2 The Supplier may not assign, transfer, charge, subcontract, novate or deal in any other manner with any or all of its rights or obligations under the Contract without the Customer's prior written consent.
- 10.3 Any notice under or in connection with the Contract shall be given in writing to the address specified in the Order or to such other address as shall be notified in writing from time to time. For the purposes of this Condition, "writing" shall include e-mails and faxes.
- 10.4 If any court or competent authority finds that any provision of the Contract (or part of any provision) is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the Contract shall not be affected.
- 10.5 Any variation to the Contract, including the introduction of any additional terms and conditions, shall only be binding when agreed in writing and signed by both parties.
- 10.6 The Contract shall be governed by and construed in accordance with English law. The parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales to settle any dispute or claim arising out of or in connection with the Contract or its subject matter or formation.
- 10.7 A person who is not a party to the Contract shall not have any rights under or in connection with it.